



ADMINISTRATIVE OFFICE

November 18, 1987

NOV 30 1987 9 45 AM

INTERSTATE COMMERCE COMMISSION

Honorable Noreta R. McGee  
Secretary  
INTERSTATE COMMERCE COMMISSION  
Washington, D. C. 20423

7-334A010

No. ~~7-334A010~~  
Date NOV 30 1987

Fee \$ 10.00

ICC Washington, D.C.

Dear Ms. McGee:

The Idaho First National Bank submits for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, the enclosed executed counterparts of Amendment Number One to Equipment Lease Agreement dated November 10, 1987 (the "Amendment"). The Amendment modifies Equipment Lease Agreement dated July 31, 1987, a primary document previously recorded on August 11, 1987 and bearing recordation number 15283 (the "Lease").

The parties to the said enclosed Amendment are:

Lessor:

The Idaho First National Bank  
101 South Capital Boulevard  
Boise, Idaho 83702

Lessee:

The Denver and Rio Grande  
Western Railroad Company  
One Park Central  
1515 Arapahoe Street  
Denver, Colorado 80202

The Amendment, among other things, provides for the purchase by Lessor and leasing to Lessee under the terms of the Lease of 25 additional auto racks to be attached to flat cars.

The rolling stock covered by the said Lease consists of 25 bi-level auto racks, rack numbers 774-798.

A short summary of the document to appear in the Index is as follows:

"Covers 25 bi-level auto racks, rack numbers 774-798."

NOV 30 9 42 AM '87  
MOTOR OPERATING UNIT  
ICC OFFICE OF  
THE SECRETARY

*Counterpart -  
Maurice  
Flowers  
15283*

*\$10.00 filing fee*

Honorable Noreta R. McGee  
November 18, 1987  
Page 2

Enclosed is a check in the amount of Ten Dollars (\$10.00) in payment of the filing fee.

Once the filing has been made, please return to the undersigned the stamped counterparts of the Lease not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. A. Cook', with a large, stylized loop at the end.

David A. Cook  
Vice President & Manager  
Leasing Department #01-5017

Ens.

DAC/cj

Interstate Commerce Commission  
Washington, D.C. 20423

OFFICE OF THE SECRETARY

David A. Cook  
Idaho First National Bank  
P. O. Box 8247  
Boise, ID 83733

Dear Sir

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on ]]/30/87 at 9:45Am , and assigned recordation number(s). 15283-A

Sincerely yours,

*Norita K. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

RECORDATION NO. 15283-A FILED 1428

AMENDMENT NUMBER ONE TO  
EQUIPMENT LEASE AGREEMENT

NOV 30 1987 -9 45 AM

INTERSTATE COMMERCE COMMISSION

This Amendment Number One to Equipment Lease Agreement is dated as of the tenth day of November, 1987 and is between The Idaho First National Bank, a national banking association ("Lessor") and The Denver and Rio Grande Western Railroad Company, a Delaware Corporation ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessor and Lessee have entered into an Equipment Lease Agreement dated July 31, 1987 (the "Lease") with respect to certain auto racks identified in Schedule I to the Lease; and

WHEREAS, the Lease was recorded with the Interstate Commerce Commission on August 11, 1987 and assigned recordation number 15283; and

WHEREAS, Lessee has requested that an additional 25 auto racks be leased pursuant to the terms of the Lease:

NOW, THEREFORE, Lessor and Lessee hereby agree to amend the terms of the Lease as follows:

1. Schedule I to the Lease is hereby amended by adding thereto the following:

<u>Number</u>	<u>Equipment</u>	<u>Manufacturer</u>	<u>Lessee Designation Rack Numbers</u>
25	Bi-level Racks	Thrall Car Manufac- turing Company	774 - 798

2. The Basic Rent provided for in each IER (as such terms are defined in the Lease) delivered pursuant to the Lease is hereby amended to 6.780868% of Equipment Cost.

3. Schedule II to the Lease is hereby substituted for Exhibit A attached hereto.

4. Except as provided herein, all terms and provisions of the Lease remain unchanged.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Amendment Number One to be executed by their duly authorized officers on the date first written above.

LESSEE: THE DENVER AND RIO GRANDE  
WESTERN RAILROAD COMPANY

[CORPORATE SEAL]

ATTEST:

By M E Ehrlich  
Secretary

By W J Hollman  
Title: PRESIDENT

LESSOR: THE IDAHO FIRST NATIONAL  
BANK

[ASSOCIATION SEAL]

ATTEST:

By Dwight B. Bower  
Asst. Secretary

By [Signature]  
Title: VICE PRESIDENT

STATE OF COLORADO )  
COUNTY OF DENVER ) ss

On this 25 day of November, 1987, before me personally appeared W. J. HELTMAN and M. E. EARLICH, to me personally known, who being by me duly sworn, say that they are the PRESIDENT and SECRETARY, respectively of THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

Lester E. Egner  
Notary Public

My commission expires: 2/26/90

STATE OF Idaho )  
COUNTY OF Ada ) ss

On this 27<sup>th</sup> day of November, 1987, before me personally appeared David Cook and Dwight V Board, to me personally known, who being by me duly sworn, say that they are the Vice President and Assistant Secretary, respectively of THE IDAHO FIRST NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the association seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

[NOTARIAL SEAL]

Jane E. Ahrens  
Notary Public

My commission expires: July 10, 1991

INDIVIDUAL EQUIPMENT RECORD ("IER")

IER No. 5

To that Equipment Lease Agreement ("Lease") dated as of July 31, 1987, between:

LESSOR:

The Idaho First National Bank  
101 South Capitol Boulevard  
Boise, Idaho 83702  
Mr. David A. Cook

LESSEE:

Denver and Rio Grande Western  
Railroad Company  
1515 Arapahoe Street  
Denver, Colorado 80202  
Mr. R. C. Schulte

Funding Date: November , 1987

Acceptance Date:

Lessee's Purchase Order No.

Basic Term: 10 years

Sale and Use Tax:

X Exempt per D & RG

Insurance Requirements:

As stated in the Lease

Rentals: Interim Rent, with respect to each Item of Equipment set forth below, calculated at the daily equivalent of the Base Term rate, shall commence upon Lessor's funding of such Item of Equipment ("Funding Date") and accrue to, but not including, December 31, 1987 ("Base Lease Commencement Date").

Lessee shall also pay Lessor 20 installments of Basic Rent each in an amount equal to 6.780868% of Equipment Cost commencing June 30, 1988 and semi-annually thereafter.

Funding Assumptions and Rental Adjustment

The rental rates set forth in this IER are based on the following funding assumptions:

7/30/87	\$1,037,500
8/7/87	\$1,037,500
9/30/87	\$1,599,750
12/15/87	\$4,652,000
12/30/87	Lease Commencement
11/30/87	\$ 696,750 <i>RCB</i>

In the event that the foregoing assumptions are incorrect in such a way as to adversely impact Lessor's transaction economics, then the rental rate and Stipulated Loss Values shall be adjusted so as to preserve Lessor's after-tax economics.

EQUIPMENT DESCRIPTION AND SERIAL NO.(s) (SEE ATTACHED INVOICES):

<u>Equipment Description</u>	<u>Rack No.</u>	<u>Equipment Cost</u>
25 fully enclosed Bi-level Auto Racks manufactured by Thrall Manufacturing Company	774 - 798	\$648,750

The Lessor hereby leases to Lessee, and Lessee hereby agrees to hire from Lessor, the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

1. That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order.
2. That the equipment is of a size, design, function and manufacturer selected by Lessee.
3. That Lessee is satisfied that the equipment is suitable for its intended purposes and any special purposes of Lessee.
4. THAT LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR HAS NOT MADE AND DOES NOT MAKE, BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT OF THIS LEASE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO TITLE, CONDITION, COMPLIANCE WITH SPECIFICATIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT. THE EQUIPMENT IS LEASED HEREUNDER "AS IS".
5. THAT THE EQUIPMENT HAS BEEN DELIVERED TO, IS NOW IN POSSESSION OF AND ACCEPTABLE TO LESSEE, AND THAT ALL OF THE EQUIPMENT HAS A CLASS LIFE OF 14 YEARS AND IS DEPRECIABLE FOR A RECOVERY PERIOD OF 7 YEARS USING THE 200 PERCENT DECLINING BALANCE METHOD SWITCHING TO THE STRAIGHT LINE METHOD AT SUCH TIME AS WILL MAXIMIZE THE PRESENT VALUE OF THE DEDUCTIONS.



The Lessee hereby represents and warrants that:

1. The representations and warranties of the Lessee contained in the Lease are true and correct on and as of the date hereof as though made on and of this date.

2. No event has occurred and is continuing or will result from the lease of the equipment described herein which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time lapse or both.

Dated as of the Acceptance Date (to be filled in by Lessee on front page of this IER).

LESSOR:

THE IDAHO FIRST NATIONAL BANK

By: 

Title: VICE PRESIDENT

LESSEE:

THE DENVER AND RIO GRANDE  
WESTERN RAILROAD COMPANY

By: 

Title: PRESIDENT

# EXHIBIT A

## STIPULATED LOSS VALUES

<u>Period Ending</u>	<u>Percentage of Cost</u>
12/30/87	101.43721002
6/30/88	97.25295482
12/30/88	95.18261529
6/30/89	92.83813132
12/30/89	90.24449012
6/30/90	87.41383531
12/30/90	84.36554921
6/30/91	81.10390994
12/30/91	77.64419505
6/30/92	73.97805690
12/30/92	70.10172254
6/30/93	66.00422068
12/30/93	61.68125658
6/30/94	57.13339845
12/30/94	52.38380956
6/30/95	47.43317110
12/30/95	42.30896043
6/30/96	36.99730531
12/30/96	31.50204490
6/30/97	25.86024712
12/30/97	20.19935266